

Talent management in Slovak organizations: insight into talents development and retaining

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Abstract: The purpose of this paper is to identify processes and practices of talent management and their implementation in Slovak organization. Based on the theoretical knowledge base and current researches was conducted questionnaire survey to obtain primary data. The survey examines the array of talent management processes and practices in Slovak organizations. Since the range of talent management activities is wide and survey results are extensive, we present partial results of our survey. We focused on the area of defining, development and retaining talents in Slovak organizations. It can be concluded that Slovak organizations are currently not placing adequate emphasis on these activities.

Key words: talented people, talent management, organizations

JEL classification: J24, M12

1. Introduction

Volume of recent researches and scientific papers highlight the growing interest in talent management within organizations. In order to succeed globally, organizations must give significant attention to talents (i.e. people who are able to ensure long-term and sustainable prosperity and development) and conduct talent management successfully.

Talent management is very popular developing concept. It is “one of the biggest challenges facing organizations in today’s rapidly moving and highly competitive global environment. It is a multi-faceted concept that can be considered as a philosophy of human resources management, as an organizational mind-set, as a discipline with specific subjects and research methods or as a set of HR practices in a particular organization (Egerová et al., 2013, p. 21).

2. Talent management: definition and content

Talent management is the “systematic attraction, identification, development, engagement, retention and deployment of those individuals who are of particular value to an organisation, either in view of their ‘high potential’ for the future or because they are fulfilling business/operation-critical roles” (CIPD).

Talent management is strongly related to human capital. This idea very concisely summed Saar (2013) who states that “talent management must be systematic with a clear, strategic intention, based on the idea that people are your most critical asset and must be carefully cultivated”. Cappelli (2008, p. 1) indicates that talent management is “simply a matter of anticipating the need for human capital and then setting out a plan to meet it”. According Sonnenberg (2010, p. 2) “talent management is the capability to create and continuously optimize the talent resources needed to execute a business strategy. This means attracting and developing them, guiding their performance toward optimal productivity in light of strategic goals and finding new sources of value in their performance through innovation and continuous improvement”. Hunt (2008, in Nagra, 2011) states that talent management is about getting the right people in the right jobs doing the right things.

Talent management is understood narrowly - focusing on a single process or a selected group of employees - or broadly – including a variety of processes, components and a large group of employees (Egerová et al., 2013, p. 21).

Defining talents

Generally acceptable opinion is that human resources are the most important asset of any organization. A single category of human resources that have the greatest impact on organization's performance is the particular group of employees so called “talents”. Managing talents is commonly a part of HR strategy respectively human capital strategy. First step in forging these strategies is the definition of the organizational talent which means specification of those who are considered talents. However, to define the “talent” is not easy because there is no clear and generally accepted definition of talents. Individual organizations perceive talent differently which is conditional on different conditions and environment they operating in as well as on different requirements on employees necessary for performance of a particular job.

According to a study “Talent Management: The State of the Art” undertaken in 2005 by Towers Perrin (in Horváthová, 2011) organizations seeking talents especially among employees on the management positions. According to Horváthová (2011) the similar situation is in the Czech Republic, where talents are associated especially with those people who perform managerial functions and roles. The author also adds that managers are not the only group that can be identified as talent. In this context, it should be added that this “reduced” talent management focus only on people in higher positions is not entirely correct.

Retention of talents

Pandey et al. (2012) indicate that retention is “developing and implementing practices that reward and support employees” (p. 370). Authors argue that at present people choose companies which have friendly atmosphere and prefer change if they do not get desirable. That is why the retention is essential than recruitment. Thus it is an organization's ability not only to recruit, but also to cultivate and retain, talent that will ultimately determine its long life (Pandey et al., 2012). According to Egerová et al. (2013) acquiring, utilizing and retaining talents are undoubtedly the foundation for organizational success in preventing or limiting talents resignations.

Recruitment of talented people is key success factor for businesses and organizations. But hiring talents is just a start. Consequently it is necessary to keep, retain the talents in organization. According to Biswas and Suar (2013, p. 93) “the supply of talent is limited. Hence, not only getting talented employees is difficult but retaining the existing ones with conflicting values”.

Talents development

Many organizations consider employees training as an expense. However, research shows that organizations that invest in training and development enjoy a highly competent and committed workforce (Saar, 2013). In addition to recruitment and retention very important is development of talents. Employee development means ensuring continuous formal and informal learning and development (Pandey et al., 2012).

Hansen (in Forbes, 2011) on the basis of interview with Cori Hill is the Director of High-Potential Leadership Development at PDI Ninth House and co-author of *Developing Leaders and Organizations Through Action Learning* states five keys important for developing talents in organizations: (1) act as a role model - it means to be transparent about own need to learn and develop; (2) reinforce the value of learning; (3) build sustainable processes to support development; (4) reinforce shared values; and (5) leverage problems as opportunities for real world learning and development.

3. Methodology

The collection of primary data was conducted through questionnaire survey among owners, managers or executives of the companies in the Slovak Republic. The methodology of the survey was based on the methodology created by Dr. William, J. Rothwell (In: Talent Management: Aligning your organization with best practices in strategic and tactical talent management, 2012).

Survey (data collection) was implemented in two stages: May - September 2013 and January 2014. The data obtained in the first stage are part of the research conducted within the V4 countries: Visegrad Fund Standard Grant project „*Integrated talent management - challenge and future for organisations in the Visegrad countries*“.

In the survey, we investigated the level of agreement/disagreement with statements relating to different areas of talent management divided into five areas: (1) talent management strategy, (2) identification and recruitment of talents, (3) talents assessment, (4) talents development, (5) talents retaining. Respondents should specify their level of agreement/disagreement on 6 – point rating: 5 – strongly agree; 4 – agree; 3 – neutral (neither agree nor disagree); 2 – disagree; 1 – strongly disagree; 0 – I am not aware of it / is not implemented.

4. Results

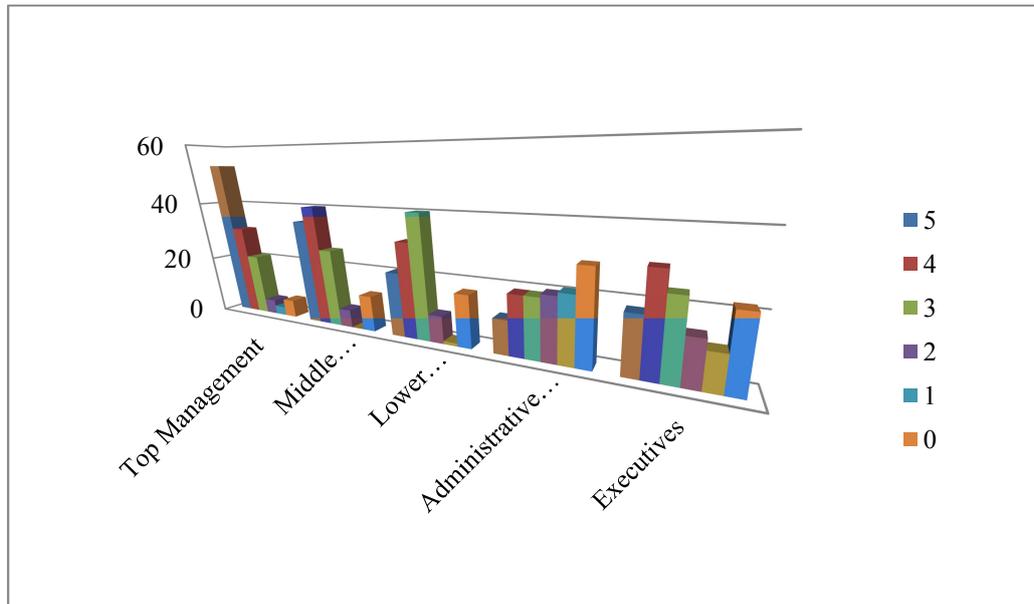
The research sample consists of 119 organizations operating in the Slovak Republic. The respondents were approached by electronic and written questionnaires. Respondents from all regions of the Slovak Republic were included in the research. In this section there are presented partial results of the investigation.

Table 1 Organizational levels of talent management implementation

Organizational levels of talent management implementation	Frequency of answers					
	5	4	3	2	1	0
Top Management	53	31	21	5	3	6
Middle Management	35	40	26	6	0	12
Lower Management	21	31	40	9	1	17
Administrative Staff	11	19	19	20	21	29
Executives	18	30	24	14	11	22

Source: own processing

Figure 1 Organizational levels of talent management implementation



Source: own processing

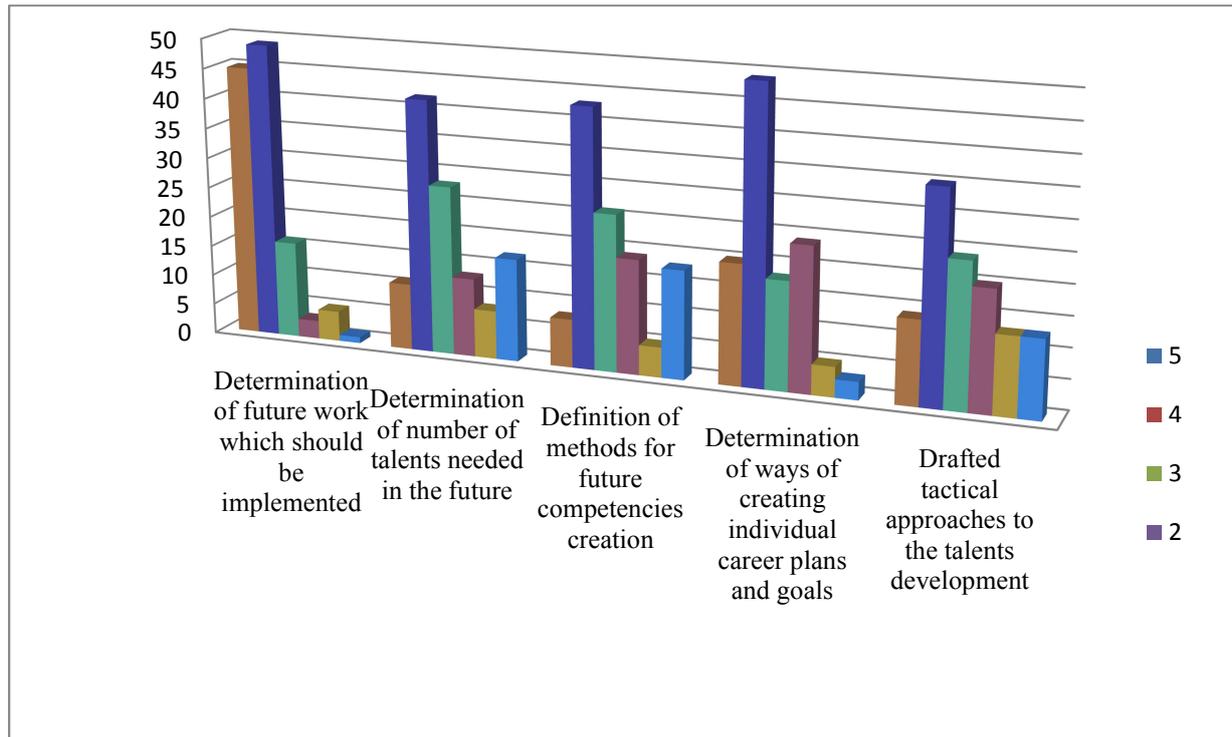
When examining the talent management in different companies, we can conclude that examined organizations in Slovakia most frequently implement talent management on high levels i.e. the level of top management followed by middle and lower management. The least likely is the talent management implemented at the level “administrative staff”.

Table 2 Development of talents

Development of talents	Frequency of answers					
	5	4	3	2	1	0
The organization has determined and defined future work which should be implemented	45	49	16	3	5	1
The organization has determined number of talented individuals needed in the future	11	42	28	13	8	17
The organization has defined range of methods through which will be generated future competencies	8	43	26	19	5	18
The organization has determined ways of creating individual career plans and goals	20	49	18	24	5	3
The organization has drafted tactical approaches to the talents development	14	35	24	20	13	13

Source: own processing

Figure 2 Development of talents



Source: own processing

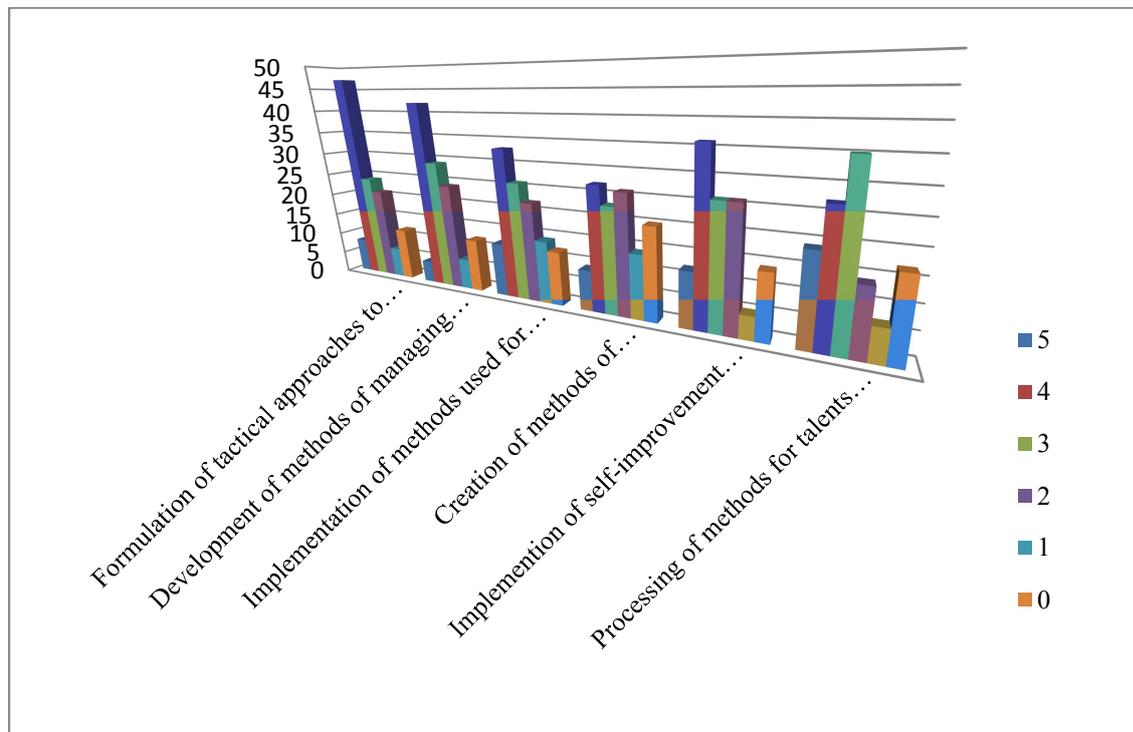
Research has shown that organizations in Slovakia have determined and defined future work which should be implemented (94 positive = affirmative responses) and also have determined ways of creating individual career plans and goals (69 affirmative responses). The “worst” situation seems to be in the area of elaboration (draft) of tactical approaches to the talents development because there was recorded the highest number of discordant responses.

Table 3 Retaining of talents

Retaining of talents	Frequency of answers					
	5	4	3	2	1	0
The organization has formulated a tactical approaches to retaining of talent	8	47	24	21	7	12
The organization has developed methods of managing talented individuals	5	42	29	24	7	12
The organization has implemented a variety of methods used for motivation of talented individuals	12	33	26	22	14	12
The organization has drawn up special methods of communication with talented individuals	9	27	23	26	14	20
The organization has implemented the self-improvement support as a tool for retaining of talented individuals	12	36	26	26	5	14
The organization has processed methods for commitment of talented individuals	19	27	35	14	7	17

Source: own processing

Figure 3 Retaining of talents



Source: own processing

In the area of retaining talents we discovered that the best situation within Slovak organizations is in the area of formulation of tactical approaches to retaining talents (55 affirmative responses). Considering the ratio of affirmative and discordant responses we can see that relatively satisfactory is the situation and the area of processing of methods for talented people commitment (engagement). The least developed and implemented in Slovak organization is the creation of methods of communication with talents (only in this single area was found a greater number of discordant responses).

5. Conclusion

Today's highly-competitive environment demands implementation of talent management. In this context, situation in the Slovak organizations is not ideal. Despite the growing interest and awareness of the need of talent management implementation, Slovak organizations are currently not placing adequate emphasis on activities and practices related thereto. Results have shown that talent management is more likely implemented on higher organizational levels. Within the activities covered by the field of "developing talents" the best prepared and aligned are the activities relating to determination and definition of future work which should be implemented and determination of ways of creating individual career plans and goals. In the area of retaining talents we discovered that organizations in Slovakia have formulated tactical approaches to retaining of talent, but most of them do not develop and create the methods of communication with talents.

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